

Contractors State License Board

The Contractors State License Board is one of 36 boards, committees and commissions that make up the California Department of Consumer Affairs. The purpose of the Contractors State License Board is to license and regulate contractors for the protection of the public.

The Board also works to curtail underground economy contracting activities and maintains Underground Economy Enforcement Units in both of its regions to cut down on unlicensed activities through stings, sweeps and other enforcement actions. It is illegal for an unlicensed person to perform contracting work on any project for which the combined price of labor and materials is \$500 or more.

The term "contractor" includes those individuals or firms that offer services to improve real property, including but not limited to: home building, remodeling, room additions, swimming pools, painting, roofing, landscaping, plumbing, electrical, heating and air conditioning, and installation and repair of mobile homes.

Complaint jurisdiction

Complaints within the Board's jurisdiction involve failure of a licensed contractor to fulfill the terms of an agreement, including: poor workmanship; requiring a down payment in excess of 10 percent of the contract price or \$1,000, whichever is less; abandonment; failure to pay subcontractors, material suppliers or employees; building code violations; use of false, misleading or deceptive advertising; violations of the Home Improvement Act; and violations of the Swimming Pool Act.

The Board's complaint/investigation procedures are designed to resolve problems between contractors and their clients—including, where appropriate, legal actions for violations of the Business & Professions Code.



How to file a complaint

The Board's standard complaint form may be obtained by calling the Board's toll-free automated information phone line, 1-800-321-CSLB (2752), or by

writing or calling the nearest CSLB district office. To find the one in your area, either check the white pages of the local telephone directory under "State of California," call CSLB's toll-free number, or log onto the CSLB Web site at www.cslb.ca.gov.

When you have filled out the complaint form, attach copies of contracts, canceled checks or other information pertinent to your complaint and return it to the district office.

How complaints are handled

The Board handles complaints based on the order of receipt and the seriousness of the allegations. Each written complaint is reviewed to determine if it falls within the jurisdiction of the Board. The Board has jurisdiction over *licensed* contractors for up to four years from the date of an illegal act for *patent* defects, and up to 10 years for *latent* structural defects. Jurisdiction over *unlicensed* contractors is for up to four years.

The Board will send you confirmation that your complaint has been received. A notice will be sent to the contractor to determine if the complaint can be resolved without further involvement of the Board. If, after notification to the contractor, the complaint has not been resolved, a consumer services representative (CSR) will contact you and request any additional information relating to your complaint that may be necessary. The CSR will then attempt to resolve your complaint through mediation. If mediation is unsuccessful, the complaint will be assigned to a deputy registrar (DR) for investigation.

The DR will conduct an investigation to determine if there are violations of the Contractors License Law.

Such an investigation includes interviewing you, the contractor and any other parties who can furnish information, and reviewing documents relating to your project.

Violations of the law by a licensed contractor may result in a citation or formal charges against the contractor which could lead to a suspension or revocation of the contractor's license. Citations may contain civil penalties of up to \$2,000 and/or orders of correction. In cases where there is legal authority to do so, the contractor may be required by the Board to make repairs or to make restitution.

However, the Board is not a substitute for the courts, so if your primary interest is to gain restitution, you should get advice from an attorney or the small claims counselor at your local municipal court.

Depending on the circumstances of the complaint, if mediation is unsuccessful you may want to consider settlement via a CSLB arbitration program (see back panel for more information).

If you contemplate legal action to recover damages of \$5,000 or less, see the clerk of the small claims court. If the damages are more, you should use an attorney. You should not wait for Board action before filing suit in court. If you decide to rely upon the small claims court for relief, you should be aware that you may not additionally seek financial relief on the same issues through other alternatives such as arbitration or investigation by the Board.

Contracting without a license is a violation of the law. In a case involving unlicensed activity, the Board may cite the unlicensed person and impose a fine of up to \$15,000 or refer the case to the local district attorney for prosecution. The Board cannot require an unlicensed person to make repairs or restitution.



**1-800-321-CSLB (2752)
www.cslb.ca.gov**

**P.O. Box 26000
Sacramento, CA 95826**

CSLB Arbitration Programs

The Contractors State License Board offers two arbitration programs: a mandatory program for disputes involving alleged damages of less than \$5,000, and a voluntary program for disputes involving damage allegations of between \$5,000 and \$50,000.

Disputes must comply with certain criteria in order to qualify for a CSLB arbitration program:

- The contractor's license must be in good standing at the time of the alleged violation and at the time of the referral to arbitration;
- The contractor cannot have a record of prior violations; and
- The parties cannot previously have agreed to private arbitration in the contract or elsewhere.

For more on these programs, see *Mandatory Arbitration Program Guide* or *Voluntary Arbitration Program Guide*, both available from the CSLB.

CSLB arbitration is fast (about 120 days) and informal, and all decisions are binding and enforceable in court. The Board provides the arbitrator (who is an expert in construction matters) and one expert witness free of charge. The Board also pays all administrative fees.



Legal Action Disclosure

Upon request, the Contractors State License Board provides information about a licensed contractor's license and bond status, as well as pending and prior legal actions. If you want information about a contractor's license status, please call the Board's toll-free telephone number, 1-800-321-CSLB (2752).

If you would like information about pending or prior legal actions against a contractor, please call the legal action disclosure phone number at the appropriate CSLB regional office listed below:

Northern Region (916) 255-4041
Southern Region (714) 994-7450

***The Contractors State License Board
has offices throughout California.
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office nearest you, call the Board's toll-
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A Consumer Guide to Filing

Construction Complaints

